



Youth Employment

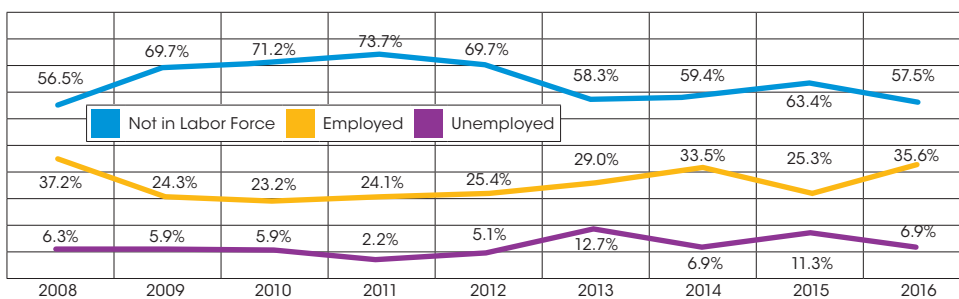
Employment can be a valuable opportunity for youth. In addition to the immediate benefits of earning a paycheck, employment experiences can deepen understanding of a young person’s dreams and career interests, facilitate conversations about financial literacy, teach important workplace skills, and provide opportunities to learn about responsibility, time management, and good work habits.^{1,2} Employing youth also provides benefits to the hiring entity, such as the development of a strong talent pipeline.³

Trends in Teen Employment

The teen employment rate has been on the rise in recent years, following a decline during the recession. Employment among 16- to 19-year-olds declined from 37.2% in 2008 to 23.2% in 2010, and has since risen to 35.6% in 2016. With substantial improvement in the past few years, teen employment is nearing pre-recession levels.



Labor Force Participation for Teens Ages 16-19, Indiana: 2008-2016



Source: Current Population Survey

Indiana teens ages 16-19 are more likely to be employed (35.6%) than their peers nationally (27.7%) and less likely to choose to remain out of the labor force (57.5% vs. 66.8%). However, the percent of teens who are unemployed (6.9%) is higher than that of the nation (5.4%).⁴

Teen employment differs substantially by race and ethnicity, with youth of color less likely to be employed. The unemployment rate for black teenagers (16.7%) and Hispanic teens (13.0%) is more than twice that for their white peers (5.9%).⁵

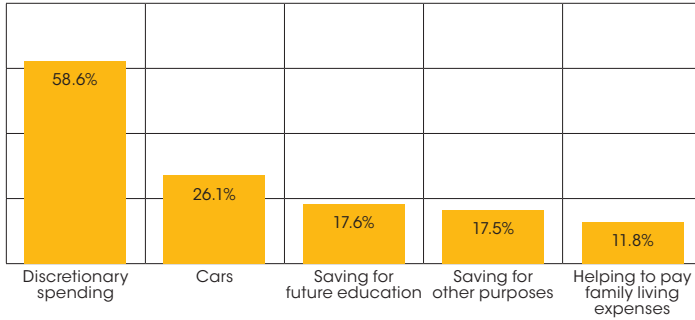
Benefits and Drawbacks of Teen Employment

The most immediate benefit from working is additional money to spend or save.

For teenagers, the most common use of job earnings is discretionary spending, with 59% of youth spending about half or more of their earnings on themselves.⁶ The next most common use of earnings is spending on cars, followed by saving for future education and saving for other long-range purposes. The least common

use of earnings is “helping to pay family living expenses,” for which 12% of youth report using nearly half or more of their earnings. Lower socioeconomic status (SES) and non-white students spend a greater portion of their income on helping the family than their higher SES and white peers, with 1 in 4 African-American students spending about half or more of their income on family living expenses.

Percent of youth who use more than 41% of their earnings for specific purposes



Source: *Monitoring the Future*

In addition to increasing financial resources in the short-term, early employment can also have long-term economic benefits. A moderate level of teen employment during the school year (no more than 15 or 20 hours per week) has positive effects on future employment, earnings, and net worth.⁷ High school seniors employed 20 hours per week are expected to have higher earnings 6 to 9 years later,⁸ and teens who have greater work experience in the past year are much more likely to find work in the current year.⁹ Because this data is correlational, some benefits associated with employment may also reflect pre-existing differences among teens who choose to work.¹⁰

Employment can help teens develop important skills and grow personally. Teens who are employed spend three fewer hours each day watching TV or using a computer for fun.¹¹ Working can build self-efficacy – the belief in one’s ability to accomplish a task or succeed in difficult situations – that extends past work and into the community and family life.¹² Teens facing stressors at work often build resilience and are better equipped to deal with similar work stressors in the future.¹³ Teens develop new skills in the workplace, including valuable social skills, communication skills, higher-order thinking skills, self-control, and positive self-concept. Soft skills are in high demand with employers and can be more important for early labor market success than academic or technical skills.¹⁴

While employment offers many benefits, some evidence suggests that too much work may be harmful. Teens working more than 20 hours per week have lower school performance, greater academic disengagement, and are less likely to complete at least two years of college.^{15, 16} Because this data is correlational, some risks may also reflect pre-existing differences among teens who choose to work long hours. Teens who desire intensive work tend to be more disengaged from school to begin with, a characteristic associated with negative outcomes.

Another drawback of teen employment is crowding out time for other important activities, including homework, extracurricular involvement, and sleep. On average, employed teens spend 45 fewer minutes on homework each school day and sleep slightly less on non-school days.¹⁷

Work Based Learning

Work-based learning is a strategy that can help prepare students for future employment.

Many teenagers and young adults face challenges in obtaining well-paying jobs as they transition to adulthood. In 2015, the unemployment rates for teens ages 16 to 19 (16.8%) and young adults ages 20 to 24 (9.9%) were the highest of any age group, with the overall rate for all ages at 5.8%.¹⁸ Many young adults who are employed lack a clear connection between their education and work, with only 42% of young workers ages 18-31 employed in a job that closely relates to their field of study.¹⁹ Many of the challenges young workers face may be attributable to a lack of adequate preparation for the working world, as 24% of young workers report they received no information about jobs or careers while in high school.²⁰ Work-based learning is a strategy that can help prepare students and ease their transition into the workforce by connecting the classroom to the workplace. Work-based learning (WBL) can be defined as experiences that involve learning academic, technical, and employability skills by engaging with a real workplace environment.²¹

Work-based learning can include many different activities that occur along a continuum of career awareness, career exploration, and career preparation.²²

Career Awareness	Career Exploration	Career Preparation
<ul style="list-style-type: none"> Initial exploration of a variety of careers available Broadening student options May begin as early as elementary school Example activities include career fairs and visiting parents’ work 	<ul style="list-style-type: none"> Further exploration of careers of interest In-depth research on specific careers and educational requirements Example activities include job shadows, informational interviews, and career research 	<ul style="list-style-type: none"> Real-world experiences that build knowledge and skills related to a desired career path Planning for post-secondary opportunities related to desired career Example activities include internships, service learning, and practicing interview skills

Benefits of teen employment	Risks of teen employment
<ul style="list-style-type: none"> Increases financial resources Reduces screen time Increases sleep time on school days Teaches soft skills Builds self-efficacy and resilience Increases likelihood of future employment Increases future earnings 	<ul style="list-style-type: none"> Reduces time spent on homework Reduces sleep time on non-school days High intensity work may be associated with negative outcomes, such as lower school performance and academic disengagement

Work-based learning activities are varied and may include the following:

- **Business field trips and job shadowing:** Students visit a workplace environment to observe daily job functions to learn more about a specific occupation or industry.
- **Mentorship:** Students are paired with an industry employee mentor.
- **School-based enterprise:** Students take on managerial roles within an organization that produces goods or services for others.
- **Service learning:** Students complete community service activities on a volunteer basis, increasing knowledge and skills while contributing to the community.
- **Internships:** Students work with an employer over an extended period of time to learn more about a specific occupation or industry. Students may or may not be paid.
- **Apprenticeships:** Arrangements between a worker and employer where the worker obtains skills necessary for the occupation.

Work-based learning exposes students to the world of work. They become familiar with workplace norms and common employer expectations,²³ as well as new careers and industries that might otherwise have been unknown. WBL also exposes students to an expanded circle of adult mentors and potential employers,²⁴ and has been shown to increase teacher and peer interpersonal support.²⁵

Work-based learning serves as a bridge between school and work. It can illustrate the application of classroom learning in the real world,²⁶ which increases academic achievement motivation.²⁷ Students involved in WBL tend to enroll in more challenging courses while maintaining GPAs that are comparable to, if not higher, than those of their peers.²⁸

Career academies are high school programs that involve a high level of work-based learning and center around a career theme. Rigorous random assignment studies of career academies have found that they improve academic outcomes for at-risk students. These programs reduce dropout rates, increase school engagement, improve attendance, increase academic course-taking, and improve students' chance of earning enough credits to graduate on time.²⁹

Through career preparation activities such as internships and apprenticeships, students refine important technical skills and advance along a chosen career path. Students involved with WBL are better able to define their career goals and are more likely to choose a major early in their college career.³⁰ These experiences have positive effects on students' future employment, as students who participate in career academies earn significantly higher incomes in the eight years following graduation (\$2,088 more each year). Beyond employment outcomes, career academies also improve social adjustment to adulthood, for example, increasing the likelihood of living independently.³¹

Role of Employers

Many employers believe that students are not adequately prepared for the workforce.³² A national survey found that 73% of business



leaders believe there is a skills gap in the American workforce, and nearly half (46%) of U.S. employers have difficulty filling available jobs because of the lack of a strong talent pipeline.³³ While the goal of preparing students with the knowledge and skills necessary for productive careers is one shared by educators and employers alike, the role, involvement, and benefits to employers are often overlooked.³⁴ Nationally, only 20% of employers feel it is their responsibility to help train the workforce,³⁵ and many employers are hesitant to involve students in more intensive experiences such as internships and apprenticeships. Despite these concerns, many employers who offer work-based learning experiences report that doing so has benefitted and strengthened their organization.³⁶

For employers, engaging with teenagers in any capacity (teen employment or work-based learning) offers powerful benefits. These benefits include developing a robust talent pipeline of young people with the skills and experience necessary to fill vacant positions.³⁷ Through partnerships with schools, employers can also help ensure that students acquire skills and qualifications aligned with workforce needs. In addition to long-term benefits of cultivating the future workforce, many sponsoring companies see more immediate benefits. In one program, engaging students helped mitigate employee turnover, as students filled entry-level positions that were previously held by temporary employees with

high turnover rates. Teens can also bring new perspective and ideas into the workforce. Employers often report being impressed by the innovative and fresh ideas young people bring to the table, especially in conversations about technology. In one program, students designed a smartphone app to determine how much wire remains on a spool after it has been used, a contribution that saved the sponsoring company an estimated \$750,000.³⁸

Employers sponsoring work-based learning also experience benefits that are unique to this form of involvement. Through interactions with school leaders, teachers, parents, and students, employers enhance their reputations as engaged community leaders that are committed to supporting education and providing good jobs. Many sponsoring employers report that their engagement with students brings branding opportunities, positive publicity, and enhances name recognition.³⁹ Individual employees gain valuable experience serving as ambassadors for the company, honing their public speaking, communication, and leadership skills in the process. Employees also benefit from meaningful experiences interacting with students, increasing job satisfaction, sense of purpose, and ultimately employee retention.⁴⁰

Benefits to Employers

- Develop robust talent pipeline
- Ensure students acquire skills aligned with workforce needs
- Students bring fresh ideas, especially in the area of technology
- Enhance company reputation as a community leader
- Provide employees with meaningful experiences

Making Teen Employment Work

Teen employment offers many benefits, and those who work with youth can help make these opportunities a reality. With teen employment on the rise in the past few years, now is a great time for teens to look for jobs. Advocates can take intentional steps to help youth land their first job, whether it be through mentoring, training, or simply being a positive role model. Adults can help youth understand the importance of punctuality, dressing for work, and how to prepare for an interview. Parents, teachers, and counselors can also guide teens during the job search process, encouraging them to seek jobs that provide learning opportunities and allow them to explore career interests.⁴¹

In addition to assisting with job hunts, adults can also help youth take advantage of opportunities that emerge on the job. When teens receive a paycheck, adults can use this opportunity to begin conversations about financial literacy, including the importance of saving for the future. With guidance from caring adults, teens can



learn about budgeting, credit, debt, and saving for long-term goals such as a college education.

Those who work with youth can also help teens avoid some of the potential drawbacks of early employment. Parents and advocates for youth should pay attention to the number of hours the child typically works as well as the timing of work hours (late into the evening, weekdays, weekends, etc.). Child labor laws place some restrictions on teen employment. In Indiana, minors must receive a work permit issued by their school and may not begin formal employment until age 14. Teens are also limited in the total hours they may work and the timing of their work hours, although these limitations ease with age.⁴² Advocates can be sure that teens' hours fall within these guidelines, helping to ensure a balanced and healthy experience for youth.

Adults working with at-risk youth can offer referrals to employment programs. Many employment programs exist for at-risk youth, including Job Corps, Jobs for America's Graduates, Youth Build, and Hoosier Youth Challenge Academy. Research has shown that effective youth programs incorporate a number of common principles, including caring and knowledgeable adult mentors, clear communication of program goals, collaboration with community members, a holistic approach to addressing youth needs, and long-term support and follow-up.⁴³

Teen employment offers many opportunities for youth to explore potential careers, learn about workplace norms, develop technical and soft skills, build resilience, improve time management, and elevate long-term employment prospects, all while earning a paycheck. Youth workers and other caring adults can help teens capitalize on the benefits of early employment.

Ages	Maximum number of hours per school day	Maximum number of hours per school week	Earliest start time	Latest end time
14 and 15	3	18	7 a.m.	7 p.m.
16 and 17	8	30	6 a.m.	10 p.m.

Resources

Job Corps is a residential and educational workforce training program for low-income youth ages 16 to 24 that often serves youth who have dropped out of high school. www.jobcorps.gov

Jobs for America's Graduates (JAG) offers programs for middle schoolers through high school seniors, primarily focused on dropout prevention, as well as a dropout recovery program for out-of-school youth ages 15 to 21. www.jag.org

YouthBuild is a community-based program where youth ages 16 to 24 receive academic training toward a GED or high school diploma while constructing affordable housing for homeless and low-income people. www.youthbuild.org

Hoosier Youth Challenge Academy is a National Guard-sponsored program offering academic and employability training for youth ages 16 to 18 who have dropped out of high school. www.hoosieryouthchallenge.org

Project Indy is an Indianapolis summer youth employment initiative that connects in-school and out-of-school youth with job opportunities, soft-skill development, and job-readiness training. <http://projectindy.net/>

Work-Based Learning: An Employer's Guide offers information for employers about how to get started with work-based learning, how to lead WBL activities, and the benefits of engaging with students. <http://changetheequation.org/sites/default/files/Guide%20to%20Work-based%20Learning.pdf>

Not as Hard as You Think: Engaging High School Students in Work-Based Learning offers case studies of successful work-based learning programs, with takeaways for both employers and youth workers. <http://files.eric.ed.gov/fulltext/ED561298.pdf>

Indiana INTERNnet is a free internship-matching program managed by the Indiana Chamber of Commerce linking employers, students, high schools, colleges, and universities. <https://indianaintern.net/>

Intern Today. Employee Tomorrow: The Indiana Employer's Guide to Internships includes section on high school interns. <https://indianaintern.net/employer-guide/>

Indiana WorkOne Centers are the heart of Indiana's workforce development system. WorkOne staff help job seekers find a new or better job, choose a career, access training or get the information needed to succeed in today's job market. Many WorkOne offices have staff who are able to help older youth explore job and training options. <http://www.in.gov/dwd/WorkOne/index.html>

IYI Resources

The latest data is at your fingertips with IYI's Data Center. Search statistics and gather data to improve your program planning and grant writing or, request customized data. Go to www.iyi.org/data.

Get the most comprehensive overview of children's well-being in Indiana. **Download the Kids Count in Indiana Data Book** at www.iyi.org/databook.

Want in-depth information on youth? Check out the free resources at **IYI's Virginia Beall Ball Library**. We will mail you the library materials and include a postage paid return envelope. Go to www.iyi.org/library for details.

Text the word "grad" plus your or your student's high school graduation year to 69979 to receive free, grade-specific text reminders about test and application deadlines and other great tips for college and career readiness.

Looking for training on youth issues? IYI provides regional trainings and free webinars on youth development and nonprofit management. Go to <https://www.iyi.org/professional-development/trainings> for details.

Need **one-on-one assistance** with planning, evaluating, or expanding your organization? Benefit from IYI's **Consulting Services** and receive professional help at affordable hourly rates – discounted far below market value. Go to www.iyi.org/consulting-services for details.



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